CHANNELVISIONS

VOL. 2 NO. 3

IBM DISTRIBUTION MARKETING

MAY/JUNE 1985

COMMITMENT/85
EDUCATION FOR RESELLERS

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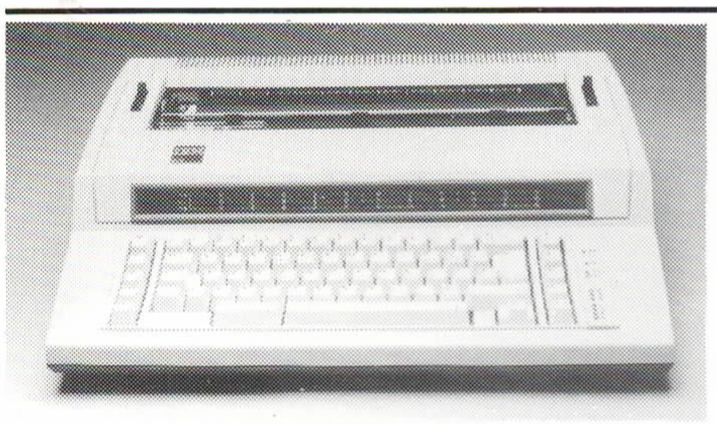

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CHANNELVISIONS

Editor: John Challinor
Design: Public Affairs Limited

Credits: photos on pages 4, 7, 9, 15, 16, 18 and 19 by Sid Tabak; page 20 photo by Gerry Kitchen; page 21 photo by Andrew Vaughan — Canapress; page 22 photo by Frank Webber — Canapress; and page 23 photo by Debbie C. Laramee.

***Channelvisions* is published by Distribution Marketing, IBM Canada Ltd., for its dealers and remarketers. Your suggestions and comments are welcome. Please direct correspondence to: The Editor, *Channelvisions*, Distribution Marketing, Dept. 298, 105 Moatfield Drive, Don Mills, Ontario M3B 3L9.**

Cover:
Commitment/85, a reseller business conference organized by IBM Canada Ltd. for the benefit of its more than 400 authorized dealers and remarketers, was held May 22 and 23 at the Constellation Hotel in Toronto. This year's theme was "Investment For Growth."

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VIEWPOINT

Taking the best course

The commitment to education has been a fundamental strength of the IBM company for more than 50 years.

We establish precise objectives at the beginning of each year for the education of both our customers and employees in every area of our business.

In an industry that is changing as rapidly as ours, education is a competitive edge and, many times, the difference between mediocre and great performance.

This year, Distribution Marketing has set, as one of its major programs, an expanded role for education in helping us to meet our business objectives. We are focusing on providing education on selling skills, mass marketing and people and business management. We are also planning to expand the number and scope of technical courses available to you.

Both fee and free education covering a myriad of topics is available to you on a self-study or classroom instruction basis through IBM. We will continue to be guided by your ideas and input on education. For example, selling skills and people management courses were added as a result of your requests. Regional courses were requested to enable better access to IBM education. And, if you don't see what you think you really need, please ask.

Commitment/85 provided a focus on education and proved to be a great success, as a result. This issue of *Channelvisions* is devoted to outlining our educational offerings in more detail.

The reason for this focus is quite simple. The better your employees understand our products, the more productive they will be in selling them. And, unless we all have the skills necessary to market them effectively, neither of us will meet the aggressive growth objectives we have set for this year and beyond.

Quality education is vital to quality performance. That's why I feel that education is a major factor in reaching

our goals — our development as your manufacturer of choice and your evolution as a loyal and satisfied reseller.

Fred Brown
Vice President
Distribution and Services
Marketing[1]

[1]*See Open Channels on page 24 of this edition of* Channelvisions.

Put some character into your printout

IBM 4201 Proprinter

Two printers were recently introduced by IBM Canada Ltd. that will provide home, office and professional personal computer users with high quality, hard copy reproduction of information created using both IBM and competitive software programs.

The IBM 4201 Proprinter and the IBM 3852 Color Jetprinter are compatible with all members of the IBM family of personal computers or suitably equipped and programmed non-IBM microcomputers. They offer a wide range of functions that can be tailored to the requirements of particular IBM customers.

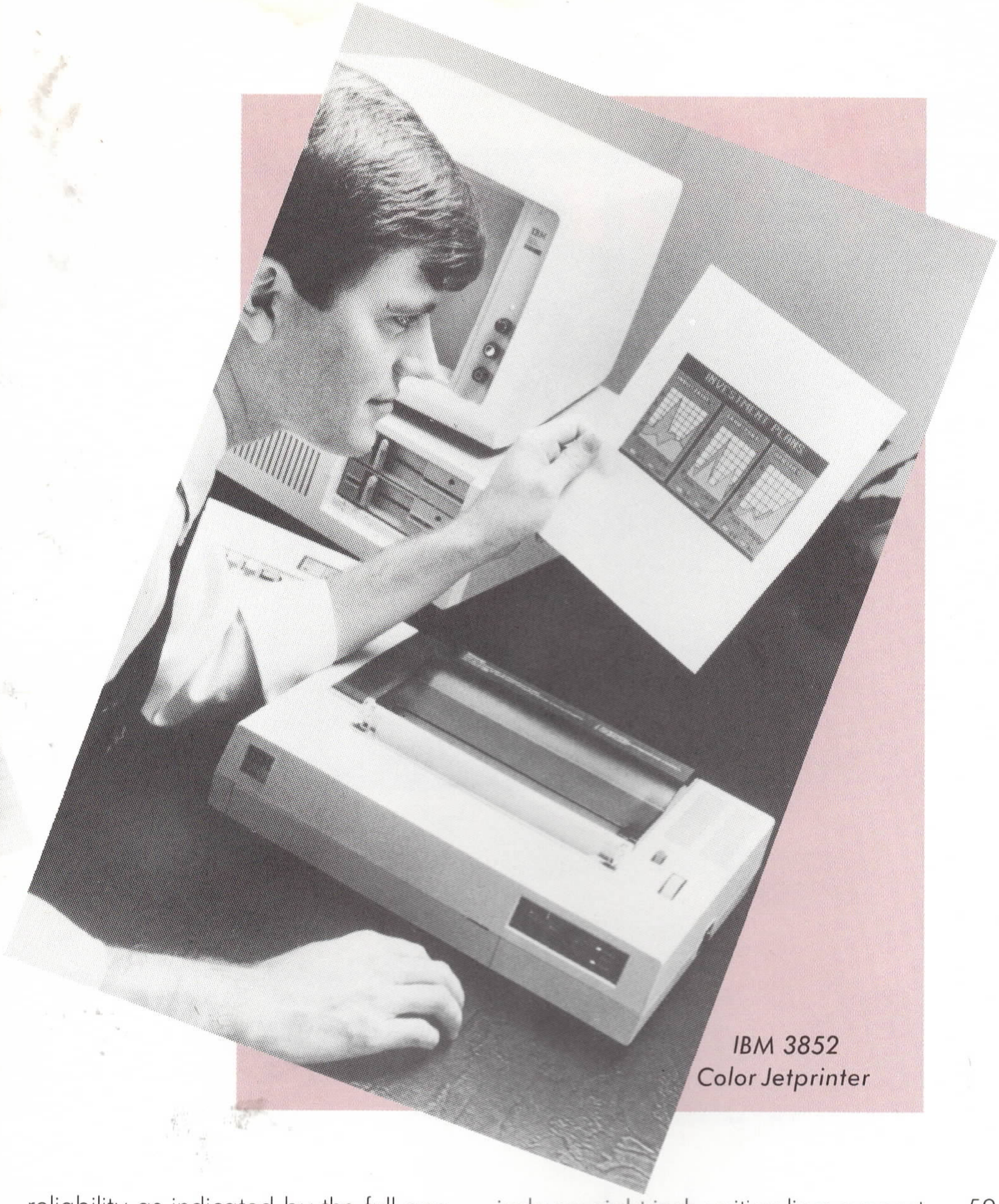
The IBM 4201 Proprinter is a low-priced, multiple function, serial matrix, bidirectional, table top printer. It provides data processing quality at 200 characters per second (CPS), text mode at 100 CPS and near letter quality (100 x 96 dots per inch) at 40 CPS.

Integrated paper-handling functions include a continuous forms tractor, friction feed, document-on-demand, capability for continuous forms and manual front sheet feed (including envelopes).

"The IBM Proprinter adds high-speed, desktop impact printing to the IBM family of personal computers," says Terry Morash, Product Manager, PC Printers, IBM Canada Ltd. "Manual front sheet feed, continuous forms paper handling and near letter quality printing are integrated into this product."

Morash says the IBM 4201 Proprinter will address users who require low and medium utility printing; data processing applications; near letter quality word processing applications; all points addressable graphics; front sheet feed for letters, envelopes and forms; multi-part forms; multiple character sets; document on demand; business and personal usage, downloadable fonts and standard tractor and friction feed.

The story behind the IBM Proprinter is as exciting as the product itself. Manufactured in a new, dedicated, automated plant in Charlotte, N.C., the IBM Proprinter features a revolutionary new design — eliminating most of the screws and springs commonly used in manufacturing. With this reduction in parts comes increased



IBM 3852 Color Jetprinter

reliability as indicated by the full one-year warranty.

The IBM 3852 Color Jetprinter is a drop-on-demand color ink jet printer, which provides all-points-addressable graphics at 100 x 96 dots per inch and 100 x 72 dots per inch resolutions in text and graphics modes. It has pin feed and cut sheet paper capability, four printing pitches, superscript and subscript characters and prints up to 132 characters on an eight-inch line.

Major features of this product include seven-color (black, cyan, magenta, yellow, green, red and blue) all-points-addressable ink jet printing for graphics and text; a print sound level of 46 decibels (dBA); normal and bold printing intensity modes; near letter quality resolution of 100 x 96 dots per inch; an eight-inch writing line; support of condensed mode, which allows printing of 132 characters per line; capability for pin feed continuous form, fan fold paper; supports microperforated roll paper and cut sheet paper fed manually; prints directly onto special Jetprinter transparencies fed manually; print pitches supported are 5, 8.3, 10 and 16.7 characters per inch; superscript and subscript characters are provided; and print speeds ranging from 20 characters per second for near letter quality in 10 pitch to up to 50 characters per second for draft quality in 16.7 characters per inch.

The IBM Color Jetprinter offers an excellent combination of quiet operation, business graphics output in full color and utility printing all from one product," says Morash.

Both the IBM Proprinter and IBM Color Jetprinter have been extensively tested for compatibility with common application software as well as for attachment to certain non-IBM personal computers.

"With the addition of these new members to the IBM printer family, we are clearly establishing IBM in the personal computer printer business," says Morash.

Priced for autom

The IBM "Actionwriter" 1 typewriter

atic success

Canadians in the school, home and small business environments now have a competitively-priced typewriter at their fingertips with IBM Canada Ltd.'s recent introduction of the IBM "Actionwriter" 1.

A compact, electronic typewriter, the "Actionwriter" 1 offers many of the features typewriter users have come to expect from IBM office products, yet sells for only $750.

Its unique keyboard and appearance are complemented by automatic two-line correcting capability; automatic relocate; automatic centring; automatic decimal tab; automatic carrier return; automatic paper insertion and automatic underscore.

Weighing only 22 pounds, the IBM "Actionwriter" 1 typewriter has a maximum typing speed of 13 characters per second (CPS); an 11-inch writing line and 13.4-inch paper capacity. It has 10, 12 or 15 pitch availability.

In the IBM "Actionwriter" 1, IBM now has a low-end typewriter product to complement the IBM "Selectric" System/2000 family of typewriters, introduced in October 1984.

And, at 63 decibels db(A), it is quieter and has more functions than the IBM "Selectric" I and IBM "Selectric" II typewriters.

"The short carriage models of these older products were classically used to provide typing students with the essential tools to practise their skills in preparation for a job opportunity as a typist, clerk or secretary," explains Rob Emmett, Campaign Manager, Workstation Brand, IBM Canada Ltd. "And, during the last decade, these products were the dominant typewriters in Canadian classrooms.

"With the introduction of the IBM "Actionwriter" 1, we have a product that will not only be a worthy successor as a training tool for advanced keyboard skills because of its numerous features, but it is also a product that customers can realistically consider for home and small business use, as well," Emmett adds.

Today's training critical to tomorrow's growth

Knowledge is of two kinds. We know a subject ourselves, or we know where we can find information upon it.

— Samuel Johnson

There are few places in Canadian business where education is more relevant than the information processing industry.

IBM Canada Ltd. is a particularly strong advocate of education, making hundreds of courses available to its employees and customers that will increase their marketing skills, service and technical competence and management of their organizations and employees.

Like IBM employees and customers, each and every one of the company's dealers and remarketers and their employees and customers have access to educational programs offered by IBM.

The reason for that is simple.

"Whatever benefits one can attribute to education, in a business context, it all boils down to one thing — productivity," says Fred Brown, Vice President, Distribution and Services Marketing, IBM Canada Ltd. "Simply put, an investment in education is an investment in productivity, without which, neither of us will meet the objectives for growth we have set for ourselves for this year and beyond."[1]

John Smith, Director, Education, IBM Canada Ltd., agrees.

"Much of the progress that the IBM company will make in the future will result from its ability to transfer skills in a quality fashion to its employees and resellers and their customers," he explains. "Our attitude about education as it relates to our resellers is very basic.

"Whatever skills and knowledge we possess that assists the IBM company in generating revenues through the intelligent use of resources are skills and knowledge we would like to transfer to them."

For authorized IBM Personal Computer (PC) dealers and value-added dealers (VAD), that transfer of knowledge begins before they are authorized to sell their first IBM product.

Just as IBM marketing representatives are required to take Basic Systems Training (BST) before beginning their careers, authorized IBM personal computer (PC) dealers and VADs and their employees are required to take product, marketing and technical and service training.

When IBM Canada Ltd. authorized its first resellers in 1981, that required sending their marketing and service staff to Boca Raton, Fla. for training. But, as the reseller program evolved, so did a Canadian training facility called PC College in Toronto.

Continuing authorization of resellers, combined with the need for established dealers to receive ongoing training as new products and services were introduced, demanded further development of PC College into a facility providing entry-level and continuing education, as well.

Through what is now called the Distribution Channels Education Centre (DCEC), which includes the old PC College, IBM provides free marketing and service technician training for up to four individuals (a maximum of two in marketing and two in service) from each new reseller as part of its reseller authorization program. Additional employees can be enrolled at a cost of $150 a day for the marketing course

and $225 a day for the service technician course.

The PC dealer and VAD marketing course is a five-day, entry-level program providing a comprehensive hardware and software overview of selected IBM PC products and marketing techniques as they relate to the sales cycle.

"All lectures are reinforced with hands-on instruction, so that the resellers can walk away with practical knowledge about our products and services instead of a theoretical impression," says Marty Grieve, Manager, DCEC, IBM Canada Ltd. "Teaching them marketing skills requires that we take them through the sales cycle using proven IBM marketing techniques — reinforced with role playing."

Grieve adds that the marketing course for typewriter dealers is heavily oriented toward marketing skills and competitive product analysis, with incentives offered during the course for those who demonstrate particular expertise in taking a 'customer' through the sales cycle.

The service course is a three-day program, which includes a basic hardware overview, instruction as to how an authorized IBM dealer is required to complete IBM warranty requirements and an understanding of advanced diagnostics.

"Here again, there is a major emphasis on practical training," Grieve says. "For example, we place faulty components in various IBM PC products in the classroom and encourage the service representatives to figure out what the problem is and how to repair it."

Jacques Bourduas is an instructor at IBM's Distribution Channels Education Centre, where marketing and service courses are taught.

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Both courses are changed regularly to reflect new product introductions, better marketing techniques, changing reseller requirements and technical updates.

Grieve says that as existing resellers evolve and hire new people, he is seeing established resellers send their new employees to him for the same basic training they received when they were authorized.

And, while it's the same course, it's not the same knowledge.

"We're very open to making changes that we feel are in the best interests of the reseller and his employees," says Bill Cranstoun, Education Programs Manager, IBM Canada Ltd. "I know all our courses reflect this attitude.

"Our programs are constantly changing and I believe they reflect what is happening in the industry," he adds. "If resellers require additional specialized training or education unique to their environment, they are encouraged to contact Marty at (416) 492-2430."

In addition to changes to existing courses, DCEC is expanding its offerings to value-added remarketers (VAR). Just as there is a need to impart the basics of marketing and technical knowledge on the IBM PC, there is also a need to do so on the small systems side of the business. (Prices for the VAR marketing course have not been announced, as yet.)

Using the IBM System/36 as the basis, a three-day course is being developed that will cover IBM small systems architecture, features and benefits they offer a customer and justification of the product to the end user.

Demonstration skills on the product using the Automated Information Management (AIM) demonstration tool, growth and positioning within the small systems family, configurations and communications are all topics to be included in the course. The first class will be run in early October.

Using this as the basis of the basic training program, VARs can now establish a training path that takes advantage of all the other offerings available to the VAR, as well. This was explained to VARs at Commitment/85 by Grieve.

As the process begins, changes will be made to the curriculum as required to support the requirements of the VAR.

Some products introduced by IBM, such as PC Network and some of the company's engineering and scientific applications, have required that resellers enroll in specific programs to receive authorization to market them.

Inherent in these courses, called Advanced Technical Support Programs (ATSP), is a recognized skill level — from both a technical and product knowledge standpoint.

"In all of this, we are striving to provide or enhance the skills our resellers already have, create confidence in IBM and its products and services and have them leave here feeling that becoming an authorized IBM reseller was the best decision they ever made," Grieve explains. "Through this education we can enhance the capability of the resellers out there and, at the same time, let them know that they can rely on us for a good level of support and knowledge about the products and services we expect them to sell."

Other training provided by IBM could include enrolling in an advanced, outbound sales-oriented training course called Esprit or receiving IBM education in various Canadian cities through Regional road shows. As well, custom courses are tailored to meet the specific requirements of individual resellers. Several reseller organizations have taken this approach to quickly and economically address their training requirements.

"We're anxious to provide more of this kind of education in the future because of its obvious benefits to our resellers and IBM," says Grieve. "It's part of our philosophy that you have to have continuing education to be successful — the industry is just moving too quickly, otherwise, to stay on top."

IBM is also providing continuing education in various Canadian centres for resellers of selected IBM products.

A recent example of this is the Smart Solutions Selling road show, training offered in conjunction with IBM's Smart Solutions advertising and promotional campaign for selected members of the IBM family of personal computers. The program addresses current hardware and software offerings and related marketing strategies, advanced marketing skills for outbound sales people and service and technical updates.

Designed in a modular format, which allows resellers to send marketing and service employees to related lectures on specific days, the product updates are free and the marketing skills, service and technical updates are fee courses.

"This type of education recognizes that the marketplace is changing, that resellers have to sell our products much differently than they've been accustomed to if they are going to survive," says Cranstoun. "Many dealers have chosen to develop an outbound sales force, which is the traditional way of marketing from an IBM perspective. So, there's a lot of useful information we can give them."

Cranstoun says these offerings complement the traditional self-study updates resellers have been receiving

when a new IBM product or service is introduced. And, he stresses they are vital because the products are becoming more sophisticated in their technical, service and marketing requirements. He cites the introduction of the IBM Personal Computer AT as an example.

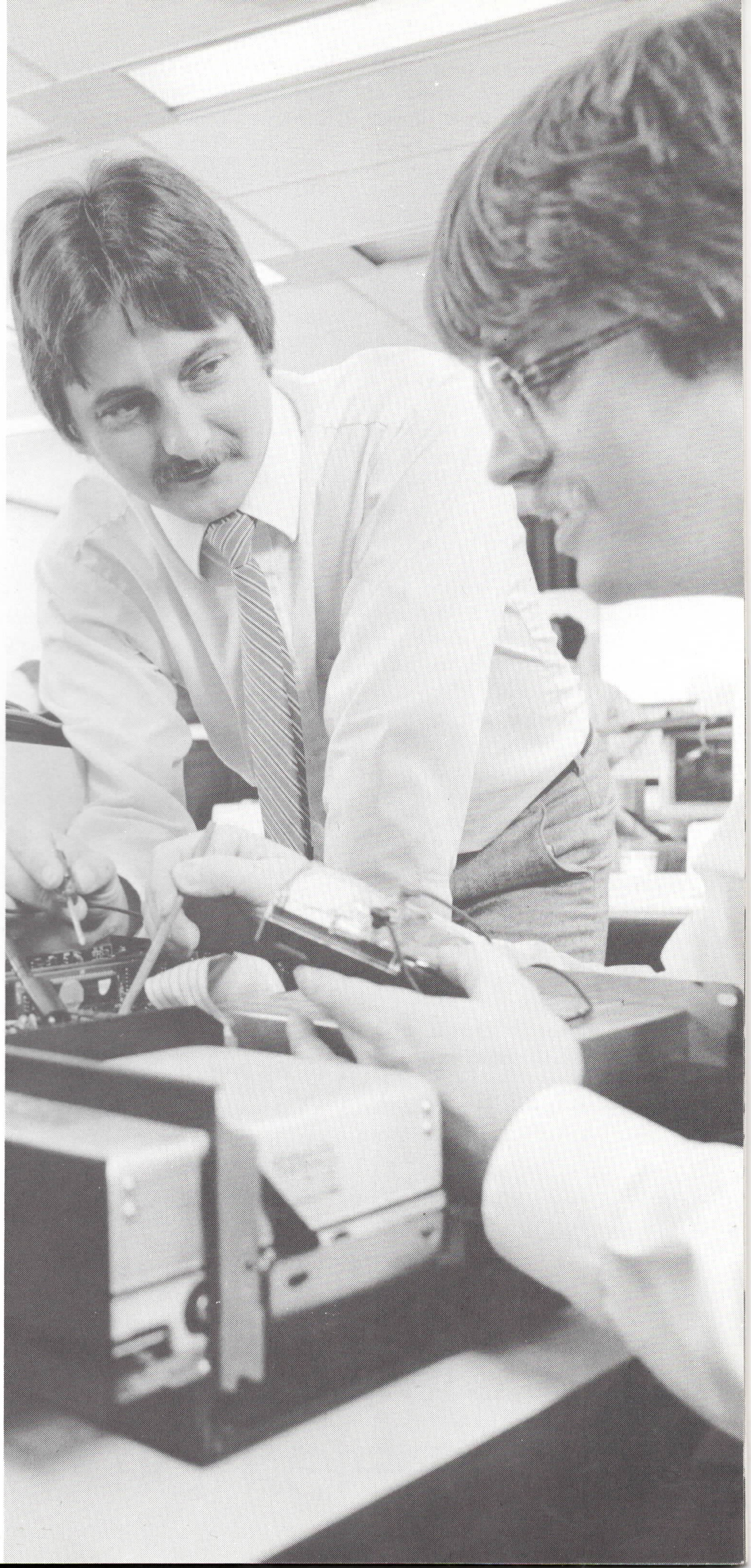
These programs permit resellers and their employees to learn and make mistakes in a controlled environment rather than learn through trial and error at their place of business and lose a customer in the process, Cranstoun says.

More than 400 courses traditionally offered to IBM employees and customers are also available to authorized IBM value-added dealers (VAD), value-added remarketers (VAR), PC dealers and their customers.

Through Guided Learning Centres in 15 major Canadian cities, self-study, computer-based training and the Technical Update Series, resellers and their customers can receive fee and free education covering management development, planning, office and communications systems, computer concepts and programming and hardware updates related to such products as the IBM System/36, IBM System/38, the IBM Displaywriter System and PC Network.

The Guided Learning Centre is a carefully structured educational environment in which students proceed at their own pace through interactive course materials under the guidance of a fully trained education administrator.

"The Guided Learning Centre has been designed to produce an environment which is conducive to learning," says Ken Colman, Manager, Technical Education, IBM Can-



At the DCEC, resellers are given instruction in spotting and repairing faulty components from various IBM PC products.

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ada Ltd. "When resellers, for example, arrive at the centre, they are assigned individual study areas, which provide them with ample work and storage space. Here they can work in privacy on their own course module at their own pace."

Colman estimates more than 7,000 students will enroll in technical education this year — be it self-study, classroom or video-tape tutorials. That group is made up primarily of information systems management, systems programmers, application programmers, operation staff, data base administrators, information centre personnel and systems analysts.

To enroll or for further information, call toll-free: Toronto 492-6666; British Columbia 112 800 465-1234; all other locations 1 800 465-1234.

Resellers also have access to Customer Executive Education.

Gary Getson, Manager, Customer Executive Education, IBM Canada Ltd., says such offerings as executive planning sessions and executive briefings can be tailored to fit the requirements of resellers who are developing a business relationship with larger companies. Or, the programs can be designed to serve the needs of customers of resellers.

As an example, the executive planning session is designed to assist management in developing business directions and goals.

For further information about Customer Executive Education, contact your account manager.

Complementing traditional IBM educational offerings in the past have been such Distribution Marketing programs as the Consultant Series and Customer Oriented Selling, conducted by McGraw-Hill Ryerson Ltd.

Working with the DCEC, Technical Education and Customer Executive Education to develop courses that are suitable for resellers is Elizabeth Munro, Manager, Cross-Channel Operations, Distribution Marketing, IBM Canada Ltd.

"This year, Distribution Marketing has set, as one of its major directions, an expanded role for education. This is key to helping us meet our business objectives," Munro says. "Major focus areas are the development of marketing, selling, installation and support skills.

"In addition, we are developing offerings in financial and personnel management," she explains. "Education is a major factor in reaching our goals — our development as the resellers' manufacturer of choice and their evolution as a loyal and satisfied network."

A recent example of an educational offering tailored by Munro for Distribution Marketing was a one-day Multiples Marketing briefing that took place in mid-June. A pilot workshop for very large VARs will take place in early July. The workshop will be offered on a regular basis beginning this fall.

The program, which consists of an executive briefing, a market support planning session and a skills workshop — as required by the reseller — has run in the United States for the past two years with great success.

One reseller who enrolled in the course was able to obtain a 50 per cent increase in sales per month. Another reseller experienced a 25 per cent reduction in hotline calls.

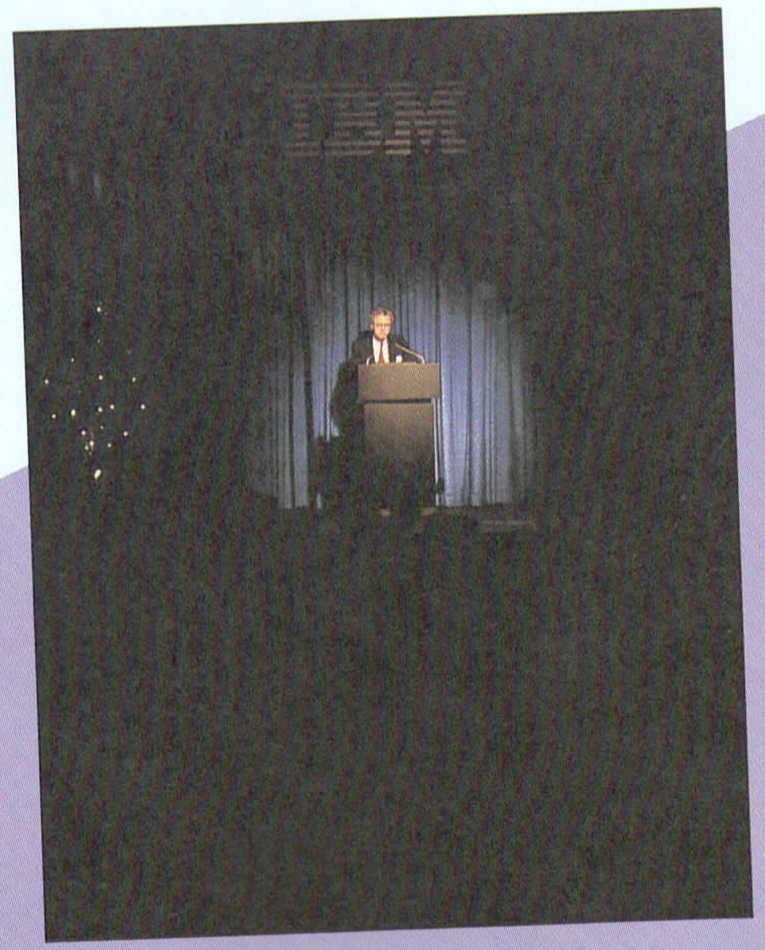
A condensed version is also being developed and will be offered to smaller reseller organizations.

Smith says every individual employed by an authorized IBM reseller should receive basic and continuing marketing, product, technical and service education from the company "if our network of resellers is to fully benefit from their relationship with us.

"If they really hope to be able to do the job we're asking them to do, education is the vital ingredient in that equation," he explains. "Resellers should regularly evaluate their employees. One way of doing this is by asking the question, 'Are my people properly trained?'

"If the answer to that question happens to be 'no', we have educational facilities and programs that are second to none in the industry and educators who are ready and able to provide the necessary training," he adds.

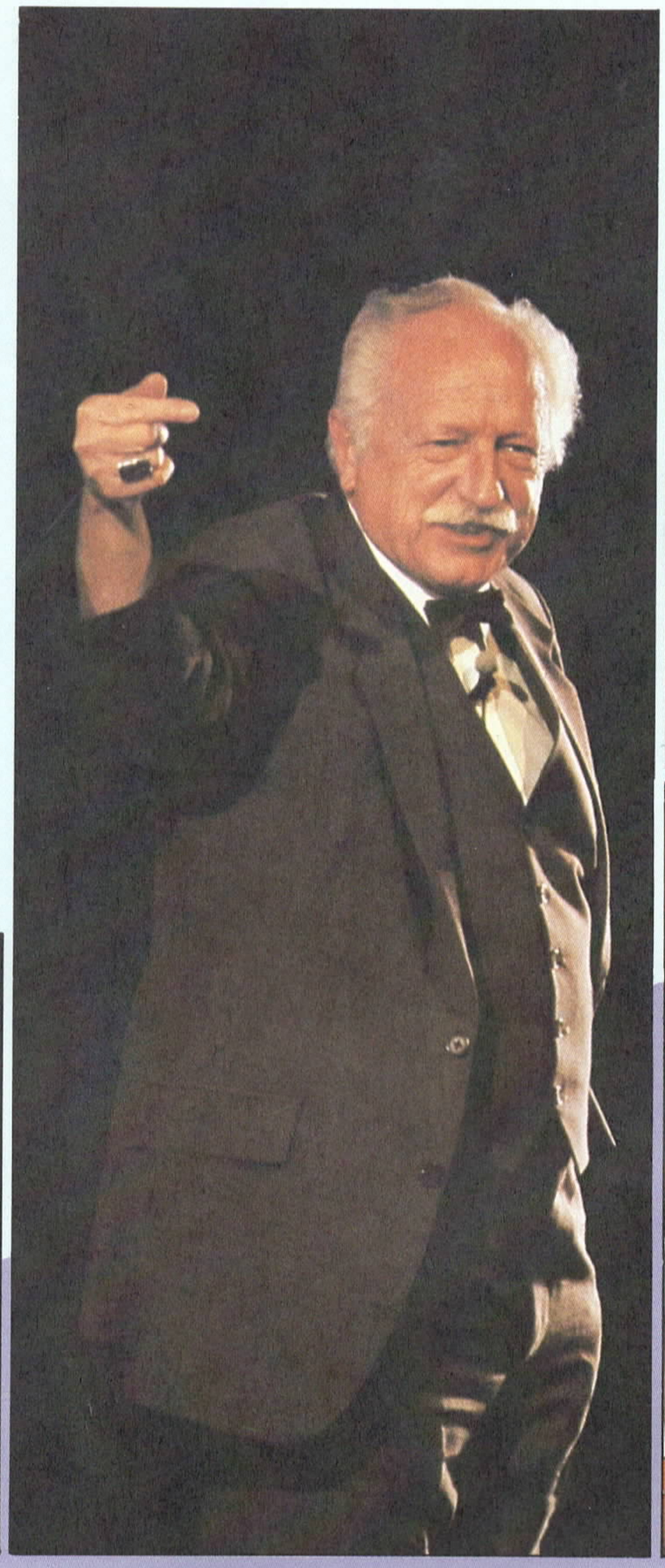
[1]*For additional remarks by Fred Brown about IBM's commitment to providing quality education for authorized IBM resellers, see Viewpoint on page one of this edition of* Channelvisions.



The message at Commitment/85 was abundantly clear — IBM is committed to its network of more than 400 dealers and remarketers . . .

Below: Fred Brown, Vice President, Distribution and Service Marketing, talks about IBM programs for resellers. Right: Dr. William Boast had an upbeat message about managing in a changing world.

Top centre: Lorne Lodge, Chairman and Chief Executive Officer, IBM Canada Ltd., told the resellers about their role in IBM's future growth.



'Investment

Throughout the May 22 and 23 business conference, from opening remarks by Lorne Lodge, Chairman and Chief Executive Officer, IBM Canada Ltd. to closing statements by Fred Brown, Vice President, Distribution and Services Marketing, IBM Canada Ltd., resellers heard of the multi-billion dollar investment IBM is making that will assist them to compete effectively.

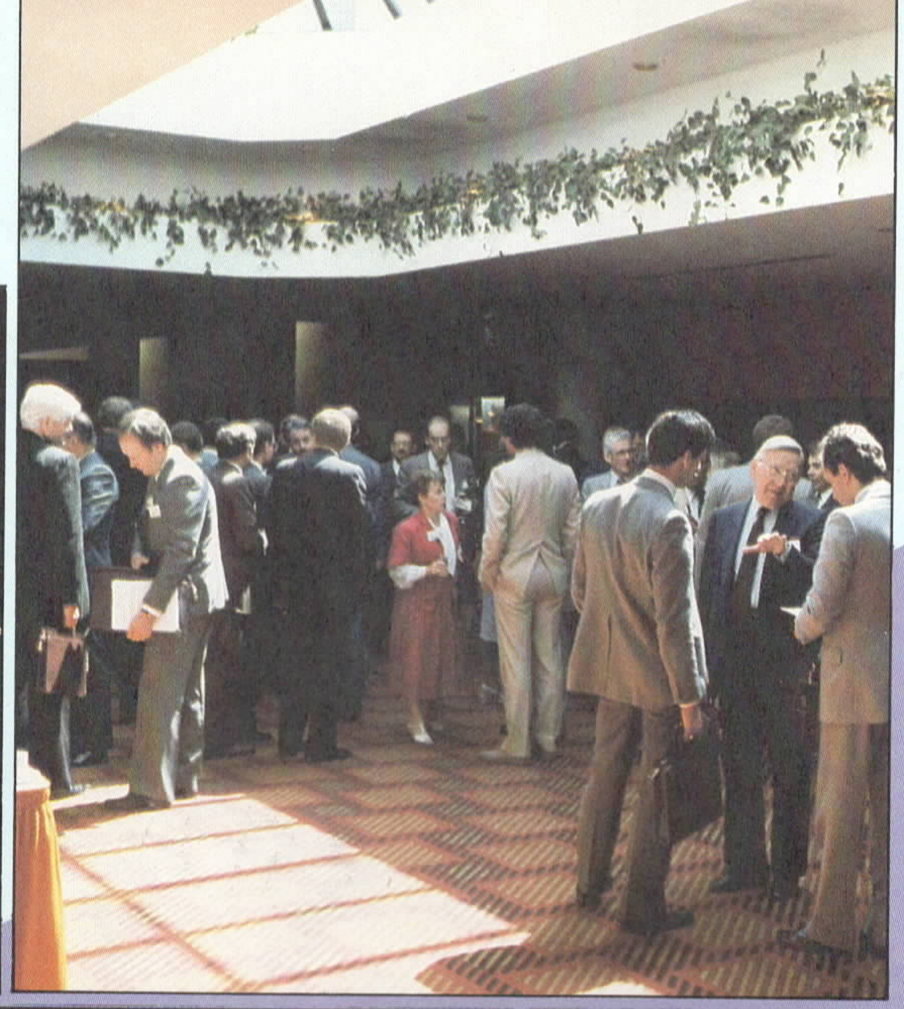
Be it research and development, education, communications, administration or business planning, resellers were told IBM is investing heavily in the future.

"IBM has invested more than $32 billion in research and development activities and new plants and equipment," Lodge told the gathering. "And, let me tell you, we're keeping the pressure on because over the next five years we'll double those investments.

"Our objective is to ensure a continuous stream of innovative products and services for you and our customers," he said. "And, I'm confident we'll meet that challenge."

Lodge also told the audience that IBM's product advertising and promotion programs budget has more than doubled since 1983. And, in the area of marketing administration, he added that operations are being streamlined to handle the demands of a high volume business.

A quality level of communications between IBM and its resellers is important to the company. And, Lodge cited the advisory councils



Top left: Resellers chat informally in the foyer of the Constellation Hotel during a break.
Bottom left: Resellers visit the nine display booths at Infoshare.
Bottom right: Peter Webb, Vice President and Sales Manager, IBM Canada Ltd., right, talks to Mike Bartlett, Executive Vice President, Shar-Cat Corporation (ComputerLand).

for growth'

and the appointment of Dee Allott as Manager, Reseller Relations (see *Channelvisions*, page 15) as two examples of quality investments in that area.

Expanding on the conference theme, 'Investment for Growth,' other speakers at the general sessions and break-out sessions also enunciated IBM's investment plans and what steps resellers should consider to implement or complement them effectively.

Peter Webb, Vice President and Sales Manager[1], IBM Canada Ltd., shared his vision of future products, future opportunities and the role of resellers in his forward-looking message.

"There are no known limits to technological advance for at least the next decade," Webb told the audience. "IBM will continue to add function to its new products — our job is to build demand for that function.

"Basically, IBM revenues will double over the next five years," Webb said. "Small systems, including personal computers, and software are the two industry segments that will experience the greatest compound growth rate over this period."

Brown told the audience about a number of existing and future IBM support programs in four key areas — communications, education, market support and electronic

[1]*See Open Channels on page 24 of this edition of* Channelvisions.

Left: Resellers go over the fine points of the new IBM "Actionwriter" 1 typewriter at Infoshare.
Bottom: Entertainer Ronn Lucas and Billy entertain resellers.

link systems — that would greatly assist resellers in attaining their business objectives.

Chief among those programs are the Customer Support System (CSS) (see *Channelvisions*, inside back cover) and education (see *Channelvisions*, page 6).

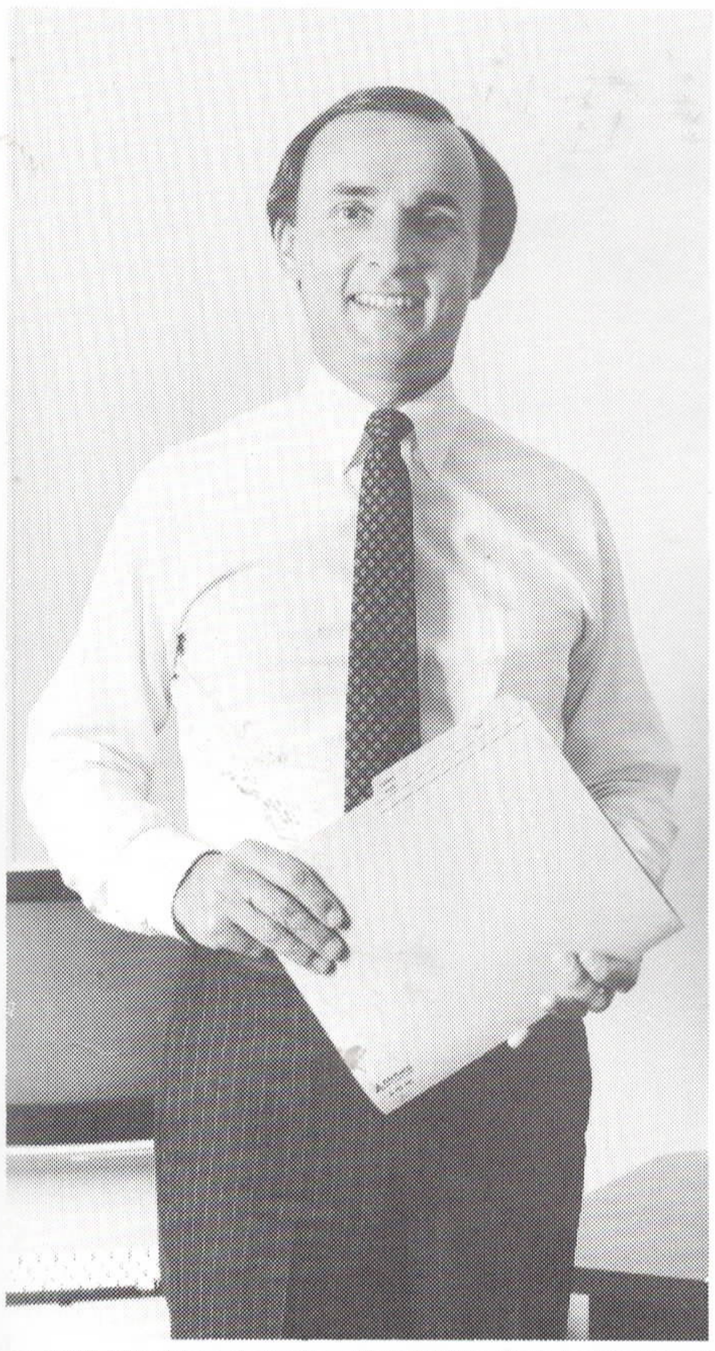
"Our major priority this year is to transfer our product and technical skills, marketing skills and people and business management skills to you," Brown said. "Fundamentally, the better you understand our products and how to market them, the better both of us will perform in attaining our growth objectives.

"The success of the IBM company in the future will hinge on its ability to transfer its skills to its resellers effectively," he added.

Other general session speakers included Dr. Larry Ring, Professor, Faculty of Management Studies, University of Toronto, who spoke about planning for growth and Dr. William Boast, who spoke about managing in a changing world.

The break-out sessions featured specific channel meetings and open forums, as well as marketing techniques and strategies presentations. An Infoshare pavilion afforded resellers a look at numerous support programs available to them through IBM.

Dee Allott: He's listening



Dee Allott, Manager

Reseller Relations

IBM Canada Ltd. recently announced the creation of a reseller relations position within its organization.

The main purpose of this new position is to provide authorized IBM resellers with an alternate IBM contact with issues that they do not feel can be addressed by the traditional process.

Dee Allott has been named Manager, Reseller Relations, and he will be responsible for representing the resellers in situations that merit special attention. Allott, formerly Manager, Market Support, Distribution Marketing, will be operating as an objective third party outside of the Distribution Marketing organization.

Allott will be primarily concerned with the relationship of such IBM organizations as Distribution Marketing and IBM branch offices with authorized IBM Personal Computer (PC) dealers, typewriter dealers, value-added dealers (VAD), value-added remarketers (VAR) and marketing assistant program (MAP) participants.

Issues of concern to resellers should be discussed with their account managers initially, Allott stresses. However, if the reseller feels that this issue isn't being resolved through that process, it should be brought to his attention.

"I plan to closely monitor our satisfaction surveys to keep up-to-date on what the resellers see as the most critical issues in doing business with IBM," he explains. "I also intend to spend a good amount of time with the resellers in their locations.[1]

"I am confident that this level of communication will contribute to establishing IBM as the manufacturer of choice among resellers," Allott adds.

"In the years to come, a significant amount of our business will be driven through external channels," says Carl Corcoran, formerly President[2], IBM Canada Ltd. "Therefore, the relationship between IBM and the channels is becoming increasingly important."

"Our success is dependent on two things," explains Corcoran. "First of all, we have to be able to attract and retain high quality, loyal resellers. Then, we have to be able to conduct business with them in a mutually profitable manner."

Corcoran says he believes that can be done through fair principles, practices and policies that will give the resellers stability in their relationship with IBM.

"We want to be viewed by them as fair, trustworthy and open to an exchange of new ideas and new ways of doing business in this very exciting and competitive environment," he explains. "I want to ensure that we maintain open and frank dialogue — I am confident that Dee Allott will nurture that."

[1]Editor's Note: At time of writing, Allott had visited a number of reseller locations and had tabled many significant issues with IBM Canada management. Among those issues addressed and resolved to date are VAR/VAD interim financing and improving communications in general between IBM administrative groups and the reseller community. Allott is very positive about the reception he has received and he reports that a great deal of the input has been reviewed by IBM Canada senior management and is being focused upon by the appropriate staff groups.

[2]See Open Channels on page 24 of this edition of Channelvisions.

Software gets biggest booking

Coles Publishing Co. Ltd., which operates the largest chain of retail book stores in Canada, has become the first authorized IBM software dealer.

The World's Biggest Bookstore, based in Toronto and, at 72,000 square feet, the largest of Coles' 172 outlets, will be the first store that will market selected IBM software products over the next 12 months.

The decision to authorize Coles, a subsidiary of Canadian publishing giant Southam Inc., was made primarily because a large software aftermarket is evolving.

"This year, for the first time in the Canadian microcomputer environment, the number of personal computers already installed exceeds the number of personal computers that will be sold," explains John Buchan, Manager, Software Business Area, IBM Canada Ltd. "That factor is creating explosive growth in the aftermarket software business."

Coles had sold software at its World's Biggest Bookstore location on a limited basis for the past two-and-a-half years and, realizing the potential of marketing the software products of a recognized industry leader, approached IBM.

"Traditionally, the Coles name has been synonomous with books and stationery supplies — not personal computer software," says Bill Ardell, President, Coles Bookstores Ltd. "We recognized that the key to successfully marketing software would be to link the Coles name and reputation with an equally well-known manufacturer of personal computer hardware and software.

"We approached IBM because the company has a solid reputation for quality products — and that means it is going to be around for a long time," Ardell says. "That will allow us to establish ourselves as a viable source for selected home entertainment and business-related personal computer software — it's an ideal marriage."

Buchan says Coles will provide the same level of quality support IBM customers have come to expect from all authorized IBM dealers.

"Clearly, they have satisfied all our requirements," he says. "Coles is a first-class retail chain, which I believe will successfully service the rapidly growing aftermarket software environment."

As is required of all authorized dealers, the staff at Coles is receiving IBM training, as it relates to IBM software.

"We have always supported whatever we've sold with a solid base of knowledge," says Ardell. "That will be our primary added value, other than the fact we have the largest book selection on information processing — particularly IBM hardware and software — in Canada.

"The promotional and marketing potential from a combination of the books and the software is something we're taking a serious look at," he adds.

Bill Ardell of Coles Publishing Co. Ltd., left, and John Buchan of IBM Canada Ltd. talk about IBM software at the World's Biggest Book Store.

r book and software centre

Harry Hart of Compucentre, left, and Don Kreutzer of IBM Canada Ltd. chat during a break at the council.

The sale of IBM products through unauthorized dealers, saturation and advertising and promotional campaigns once again dominated discussions between IBM Canada Ltd. and authorized IBM personal computer (PC) dealers at a recent PC Dealer Advisory Council meeting in Toronto.

Of the more than 15 major issues introduced during the two-day session — many of them new topics for consideration — the Grey Market, channel coverage and IBM's advertising strategy continued to be the items of highest priority on the agenda.

IBM was encouraged to continue its actions to make Canadian consumers aware of the benefits of dealing with its network of authorized dealers.

In the area of coverage or saturation, council members expressed differing views on whether IBM's dealer channel has reached the saturation point.

Council members suggested that campaigns, such as the Extra Value program last Christmas and the Smart Solutions offering this spring should be reviewed first with IBM dealers before their implementation. That way the campaign can be improved by incorporating dealer suggestions.

In other matters, IBM was encouraged by council members to regularly share with its network of dealers the results of its customer and reseller satisfaction surveys, as well as other similar information that dealers could benefit from.

The Software Showcase, portable shelf space that highlights IBM PC software, was reviewed favorably by individual council members. The showcase will be available in late summer.

"The council has afforded us the opportunity to discuss those issues in our business that are really important to our relationship," says Tony Tidd, President, asap Computer Products Ltd. (Toronto). "There has been considerable progress, to date."

Representing IBM at the advisory council session were Fred Brown, Vice President, Distribution and Services Marketing; Larry Achtemichuk, Marketing Operations Manager, Distribution Marketing; Tom Wetzel, Sales Manager, Distribution Marketing and Don Kreutzer, Manager, Dealer Operations, Distribution Marketing.

Representing the dealers on the advisory council were Mike Bartlett, Executive Vice President, Shar-Cat Corporation, ComputerLand (Vancouver); Howard Cracower, President, CompuGroup (Toronto); Allan Daitchman, President, MicroAge (Toronto); Scott Davidson, Company Buyer, Eaton's (Toronto); Harry Hart, President, Compucentre (Montreal); Peter Martin, Vice President, Parmic Inc. (Montreal); Jim Temerty, President, (L&J Enterprises), ComputerLand (Toronto); Tidd; and Jim Yeates, President, Computer Innovations Corporation (Mississauga).

Making the point

Reseller support survey identifies key issues

Predictable and complete delivery of IBM hardware products when required ranks as the most vital type of support IBM can provide its network of value-added remarketers (VAR) and value-added dealers (VAD), a survey of VAR/VAD Advisory Council members indicates.

Other support requirements, ranked in order of importance by council members, are the preannouncement of new products to assist resellers in planning, technical support, additional IBM marketing representative involvement in solving administrative problems and the furnishing of leads, IBM education — specifically marketing and sales training — and IBM advertising and promotion of its network of resellers.

These priorities were compared and contrasted with a similar study of VARs and VADs in the United States. They ranked preannouncement of new products to assist them in planning as their most important support requirement. Technical support ranked as their second priority. That was followed by a predictable and complete supply of IBM hardware products when required, marketing representative involvement, IBM advertising and promotion of its reseller network and provisions for IBM marketing and sales training.

Communication with IBM — be it with marketing representatives in the field or marketing administration staff at headquarters — was identified as being important in the successful operation of day-to-day reseller affairs.

Like previous advisory council sessions, discussion was wide ranging and included topics such as interim financing offerings, Immedia and the Customer Support System (CSS) (see *Channelvisions*, inside back cover), supply, education strategies, product direction and VAR software.

"The advisory councils represent a superb opportunity to give input to people making policy decisions affecting our channel," says Michael Etinson, President, Syntax Systems Ltd. (Montreal). "It serves to reinforce our relationship with IBM and, I believe, keep it strong."

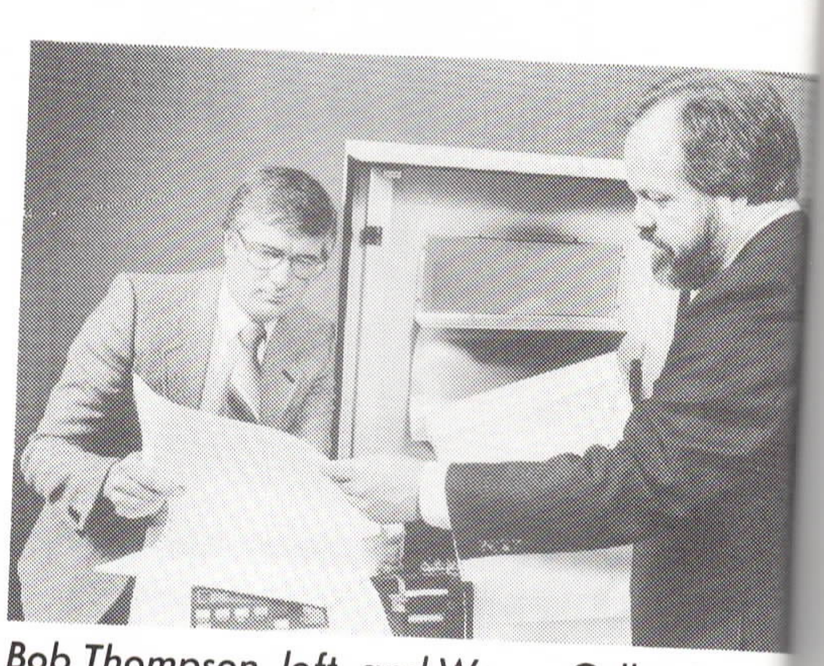
Representing IBM at the two-day May meeting were Larry Achtemichuk, Marketing Operations Manager, Distribution Marketing; Tom Wetzel, Sales Manager, Distribution Marketing and Rudy Joss, Manager, VAR/VAD Operation, Distribution Marketing.

Representing the resellers on the VAR/VAD Advisory Council were Jim Armstrong, President, JDA Software Services Ltd. (Calgary); Allen Berg, President, Computer Methods Canada (Downsview); Etinson; Sheldon Fulton, President, Homestead Computer Services (Winnipeg); Barry Gibbon, Vice President, OCL Consulting Inc. (Markham); Michel Lapointe, Vice President, Jolidata Inc. (Montreal); Mike Murgatroyd, Executive Vice President and General Manager, Reynolds & Reynolds Canada Ltd. (Brampton); Joe Paradi, President, Dataline Inc. (Toronto); Jim Radford, President, Unified Systems Ltd. (St. John's); Joe Sardi, Manager of Data Systems, Canadian General Electric (Rexdale); and Dale Wershler, President, Dale Wershler & Associates (DWA) (Victoria).

Rudy Joss of IBM Canada Ltd., left, and Joe Paradi of Dataline Inc. in discussion at the VAR/VAD Advisory Council held in May in Toronto.

SETTING SIGHTS

They're tapping the computer's resources



Bob Thompson, left, and Wayne Collens review results keyed into an IBM System/36 at Kenting Drilling.

More than 38 Kenting Drilling Co. Ltd. rigs dot oil patches in three countries on two continents, allowing the Calgary-based company to get a good pulse on a potentially volatile industry.

And, an IBM System/36, complemented by an oil and gas industry software package marketed by Mackereth Information Systems Ltd. of Calgary, an authorized IBM value-added remarketer (VAR), has permitted Kenting Drilling management to get an accurate and up-to-date handle on the firm's many holdings.

Kenting Drilling rigs can be found in Western Canada, the United States and the United Kingdom.

The company is a subsidiary of Trimac Ltd. of Calgary, a Canadian firm employing 4,300. Among *Financial Post 500* firms, Trimac ranked 202 last year, with sales or operating revenues of $322.8 million in 1983.

For Kenting Drilling, the decision to purchase the Mackereth offering last winter was simple.

"We had been using a service bureau, which was very expensive and limited in its ability to provide our management with the accurate, up-to-date and detailed financial information that they require," says Bob Thompson, Systems Co-ordinator, Kenting Drilling Co. Ltd. "Mackereth was marketing a proven application in the oil and gas industry and we were confident they could install a system that would meet our needs — particularly our general ledger consolidation requirements for other companies in the Kenting organization."

Mackereth installed an IBM System/36, five IBM 3180 Display Stations and an IBM 5225 Printer with their accounting application, which features accounts payable, accounts receivable, general ledger, job costing and payroll capabilities. A similar system was also installed by Mackereth at Kenting Drilling's Denver, Colo., offices.

Thompson is pleased with the results.

"They certainly know the drilling business," he says. "They have taken very good care of us — from on-site training to service and back-up support. Their staff is very informed."

Thompson says the Mackereth solution has enabled Kenting Drilling to "manipulate accurate and relevant financial information much faster."

Wayne Collens, President, Mackereth Information Systems Ltd., attributes his success to a "fairly aggressive marketing cycle.

"We have a wide variety of software packages and we tell our clients we have applications that will meet 80 to 85 per cent of their needs — that is why we win a good percentage of the business we go after," Collens explains. "We do a requirement study to modify the application to meet the other 15 to 20 per cent of their needs, alleviating the gap.

"Our customers are impressed that we can meet that high a requirement level and this has proven true in other key industries as well, where the combined solutions of the IBM System/36 and the IBM PC work efficiently in warehousing applications and light manufacturing, including robotics."

Collens says his company complements that by not charging for installation planning, the actual installation of hardware and software, eight hours of training for each application and all future enhancements to the package.

"Our staff are well versed in conversions to the IBM System/36 from other IBM products or competitive systems," Collens adds. "And, we do systems design, program development and documentation and unique custom applications on an ongoing basis."

Mackereth provides local customers with telephone and on-site support. Its other clients receive a free IBM System/36 communications adaptor so that they may receive online support. All clients are guaranteed 24-hour-a-day, seven-day-a-week assistance.

A 90-day, no-risk hardware and software guarantee is the latest Mackereth offering. Customers can return both the hardware and software for a full refund.

Packaging the right properties

Managing properties with more than 350 residential and commercial leases in Canadian communities as diverse as Ottawa-Carleton and Sydney, N.S., is a major challenge for any property management firm, let alone one as experienced as Ottawa-based Equity Management International Ltd.

Aside from the obvious geographical consequences to contend with, if a property management firm is to efficiently manage such varied portfolios, there is the paperwork generated by the necessary financial requirements of each. Juggling rental income against such obvious disbursements as taxes, utilities and maintenance costs in an equitable manner that serves the best interests of the property owners and their tenants demands an efficient accounting and management information system.

Equity urgently required a solution to replace its existing accounting system that would enable it to provide its clients with accurate and up-to-date financial information about their holdings. Peter Unsworth, Secretary-Treasurer, Equity Management International Ltd., looked at numerous alternatives to replace his firm's outdated system. After considerable investigation, Unsworth turned to Minicom Data Corporation of Toronto, an authorized IBM value-added dealer (VAD).

"What sold us on Minicom was the professional attitude of its staff," Unsworth says. "The company has depth, quality service and support.

"We knew they had the software we needed," Unsworth adds. "But, what we really needed was back-up telephone hotline support because our knowledge of personal computers is quite limited."

At the time Unsworth was looking at Minicom's property management applications, the company had just become a VAD and was adapting its applications to run on the IBM Personal Computer (PC). Unsworth viewed the IBM PC as an affordable alternative to a minicomputer and had Minicom install one with both the commercial and residential property management systems as well as the general ledger, payables and disbursements systems.

The Minicom solution enables Equity to better control its residential and commercial portfolio. As an example, where before Equity was restricted to providing its property owner clients with annual audited statements, it now provides monthly statements detailing financial management information.

"We used to give our clients a profit and loss statement every month — total payables, total receivables and the bank account," Unsworth explains. "Because of our experience, the new system won't improve our decision-making abilities as much as it will give our clients more up-to-date financial information on such pertinent details as cash flow."

Unsworth adds that the Minicom solution will permit Equity to handle the acquisition of new clients and holdings more efficiently as well as make the billing of escalation items faster and easier.

Equity is among more than 100 developers, home builders and commercial and residential property management firms in North America, including several of the largest, that have chosen to rely on Minicom as their automation partner.

Sandy McNair, Vice President, Marketing, Minicom Data Corporation, says the firm began in 1977 as an online, real-time service bureau for those companies requiring property management system expertise.

About two years ago, Minicom converted its applications from the minicomputers supporting them to the IBM PC.

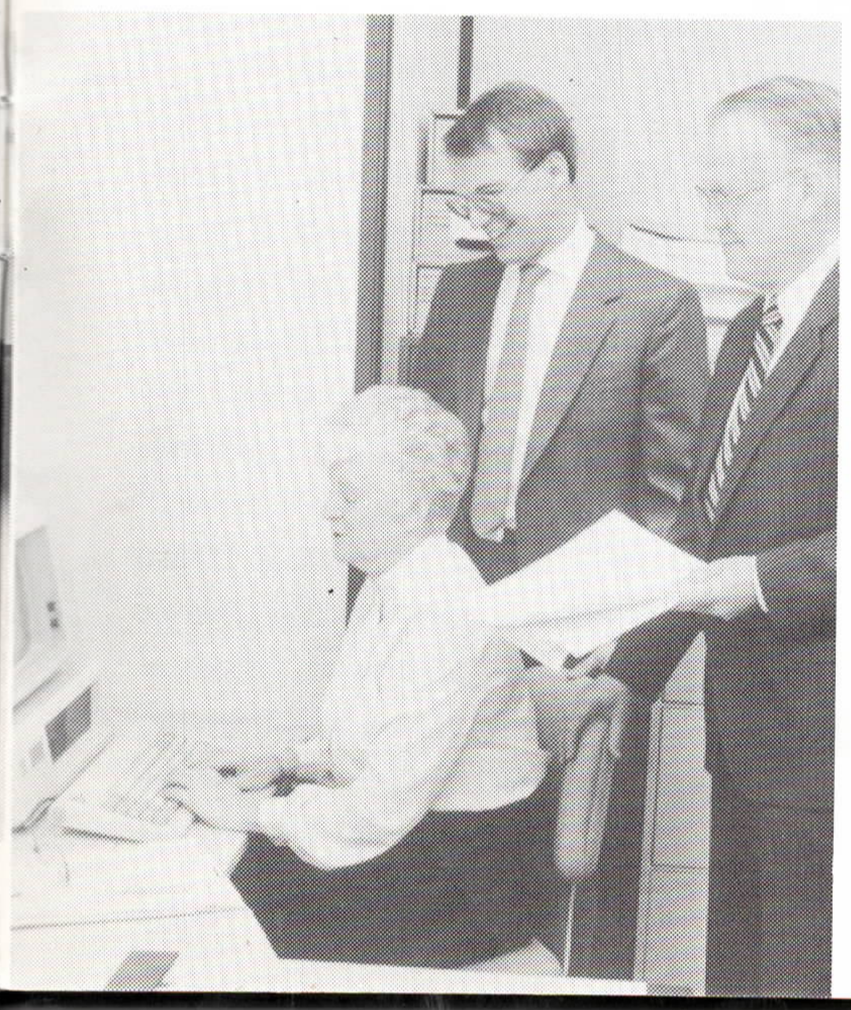
"We became a VAD because we needed a reliable supplier of IBM hardware," McNair explains. "More significantly, particularly over the long term, was the need for immediate hardware information such as product development, resources, etc."

McNair pins Minicom's success on three selection criteria — software functionality, ongoing support and hardware cost-effectiveness and flexibility.

"Our 60 people are fanatically committed to serving our clients," he says. "We assume responsibility for the entire installation, we insist on modems and back-up devices so we can properly support the client, we require that they purchase a maintenance agreement, we typically begin training a month before the installation — we worry about a lot of details because we want the client to see results and we are endorsement oriented.

"I think there are some tremendous opportunities for both of us," McNair explains. "Our knowledge of property developers and managers complemented by IBM's reputation make for a very interesting combination."

Sandy McNair, left, and Peter Unsworth look at Minicom's property management software in action.



Winning the west with good service

If ever there was a price-competitive environment in Canada, it's in the province of Alberta, where Western Canadian businessmen are counting every nickel because of the dramatic downturn in the oil and gas industry in recent years.

Despite being up against that current economic scenario and some pretty stiff offshore competition in the typewriter business, Bydon Systems Inc. of Medicine Hat, an authorized IBM typewriter dealer, is getting much of the business it goes after.

And, surprisingly, this south-eastern Alberta dealer isn't winning on price. In many cases, the company simply can't match the discounts its competitors are offering.

Bydon is winning on good, old-fashioned quality and service.

A case in point is the recent purchase of 50 IBM System/2000 'Selectric' Wheelwriter 3 typewriters by the Medicine Hat Board of Education. The Bydon tender was at least 50 per cent higher than some of the other bids, but the board was sold on the quality of the product and the dealer's long-term commitment to service and support.

"The school board was quite aware of my commitment to service because I have dealt with them for many years," says Bill Shock, President, Bydon Tech Systems Inc. "That faith in my ability to service the product long after the sale was the major factor in my getting the tender.

Bill Shock, President of Bydon Tech Systems, an authorized IBM typewriter dealer doing business in Medicine Hat and surrounding area.

"This market is almost entirely dependent on direct selling, so a product demonstration has to be very effective," says Shock. "For example, I had jaws dropping at a one-day demo at a local hospital when I hooked an IBM Wheelwriter 5 up to a personal computer and had it operating as a printer."

Covering a 100-mile radius around Medicine Hat, Shock and his staff market IBM typewriters and provide service and support of those products to numerous small businesses, municipalities, government agencies and institutions.

A former IBM service representative and Golden Circle service award winner, Shock employs the IBM business ideals at his firm with great success.

"The IBM reputation for quality products combined with my reputation for service — and not just repair service — directly contribute to my success as a dealer," Shock says. "And, in an area like this, where everybody knows everybody, reputation is very important in the long run."

From left to right are Derek Anderson, Fred Wagner and Peter Martin of Parmic Inc., an authorized IBM Personal Computer dealer based in Montreal.

There's lots of life in this relationship

The resources available to Sun Life Assurance Co. of Canada are immense — no matter what standards of reference one uses to measure this country's largest life insurer.

The company, with headquarters in Toronto, employs more than 4,800 Canadians, excluding agents, nationwide.

If *The Financial Post* was to rank Sun Life against Canada's top 500 firms, it would rank fifth in assets, 20th in net income and 27th in total revenues.

Aside from its impressive business results, Sun Life was no different than thousands of other Canadian companies when the microcomputer was introduced a few years back — it lacked the knowledge necessary to properly analyze the productivity benefits of such a system.

But, for Sun Life, the expertise was just around the corner at Parmic Inc., an authorized IBM Personal Computer (PC) dealer.

"We talked to a number of personal computer dealers in Montreal, but settled on Parmic because they had a little more knowledge about both hardware and software and were quite friendly," says Peter Higgs, Associate Director, Systems and Computer Services for Canada, Sun Life Assurance Co. Ltd. "And, although we have since developed our own pool of knowledge at Sun Life, Parmic is still relied on for in-depth technical and applications information."

Of an estimated 60 desktop computers in its Montreal and Toronto headquarters offices, the majority are IBM products — ranging from the IBM PC and IBM PC XT to the IBM Personal Computer AT. Many of the IBM products in Montreal were purchased and are regularly serviced by Parmic.

The products are used primarily for word processing, spreadsheets and development work specifically related to Sun Life's industry.

"The support we get from Parmic continues to be excellent," Higgs says. "Their proximity to us is an important factor today, largely because of our service requirements.

"But, that aside, our relationship with them has been and will continue to be a fruitful one because of their attitude and expertise in this business," he adds.

More and more, Sun Life is becoming the typical Parmic client. Peter Martin, President, Parmic Inc., estimates that of his company's 700 to 800 regular customers, at least 120 made *The Financial Post 500* last year. This group represents 40 per cent of Parmic's business and is quickly becoming an even larger part of it, he says.

Parmic is also doing a lot of business with local school boards and universities in the Montreal area.

"We are very service and support oriented," stresses Martin.

"There's no real magic to it — it's just common sense," he adds. "We just try that extra bit harder to make our customers happy.

"And, when we talk service, we also mean service as in service and repair," Martin explains. "We mean service as in support.

"When a customer has heard about a new piece of IBM hardware or software and inquires about it, we send it to him to try it out," he says. "If he likes it, he will purchase it."

Being an authorized IBM PC dealer has enabled Parmic to concentrate on its niche in the information processing industry — servicing the business community.

"We became a dealer because IBM is better known as the business machine and we were orienting our company toward the business client as opposed to the home-user," Martin explains. "IBM has traditionally serviced the business client very well and that's the business we're after today."

Sixty-five staff in dealer outlets in Montreal, Ste. Foy, St. Leonard and Ottawa, under the direction of Martin, executive vice president Fred Wagner and vice president Derek Anderson, service clients in Ontario and Quebec.

OPEN CHANNELS

IBM Canada has a new president

I understand IBM Canada Ltd. has a new president. Who is he and what other executive appointments were made?

On June 5, 1985, John Thompson was elected President of IBM Canada Ltd. and was appointed a Director of the company. Thompson was formerly Vice President, Finance and Planning. In his new position, he will be responsible for all marketing and service activities and for finance and planning. He will continue as a member of the Operations Review Committee (ORC).

He succeeds Carl Corcoran, who has been named Senior Managing Director, Operations Office — Marketing/Customer Service, IBM Japan. In his new position, Corcoran will be responsible for all marketing and customer service operations in IBM Japan. He will be located in Tokyo and will report to Mr. T. Shiina, President & Chief Executive Officer, IBM Japan.

Bill Etherington, formerly Vice President, Information Systems Account Marketing (ISAM), has been named Vice President, Finance and Planning. In his new position, Etherington will report to Thompson and will be a member of the ORC.

Peter Webb, formerly Vice President, Information Systems & General Marketing (IS & GM), has been named Vice President and Sales Manager. In his new position, Webb will assume responsibility for ISAM and will continue to be responsible for those sales activities which he managed in his previous position.

Fred Brown, formerly Vice President, Distribution Marketing, has been named Vice President, Distribution and Services Marketing. In addition to his previous responsibilities for Distribution Marketing, Brown assumes the responsibility for Support and Services Business and Information Network Services.

Ron Ziola, Vice President, IS Marketing, assumes the responsibility for the Caribbean North District and Academic Information Systems in addition to his previous responsibilities.

Don Myles, formerly Director, Administration and Marketing Services, has been appointed Vice President, Administration and Marketing Services.

New response line promises better service

How has IBM Canada Ltd. improved the 'hotline' service available to authorized IBM Personal Computer (PC) dealers?

First of all, the 'hotline' service has been changed to a response line access number.

Under this new service, your calls will be answered from 8.30 a.m. to 6 p.m. Toronto time — an improvement over the current 10 a.m. to 6 p.m. service. Your calls will now be answered by a trained dispatch operator, who will record the nature of your question and route it to the most appropriate trained professional.

This procedure will significantly improve our service to you — i.e. fewer busy signals, less time on hold — because when your call is returned, analysts will already have researched your question.

As our businesses grow together, an increasing amount of research is required to provide complete answers to your more complex questions. Although immediate access to IBM professionals will no longer be available, our objective is to reduce the duration between the initial inquiry and its resolution.

We believe we will maintain and even improve upon the current service you are experiencing.

The new telephone number is 1 800 268-5410. For Toronto callers, it is 492-6024. You will be asked for your dealer ID to establish that you are authorized to use this service.

Hook up to more support

The success this spring of a pilot electronic two-way communications link between IBM Canada Ltd. and its network of authorized IBM personal computer (PC) and value-added dealers (VAD) has resulted in the implementation of the system.

Called the Customer Support System (CSS), IBM has announced it currently plans to offer the communications medium as a no-charge service to its network of dealers.

Those who participated in the pilot project are pleased by the decision.

"It is one of the slickest pieces of communications software I've ever seen; overall, I am very high on the system," says Scott Davidson, Company Buyer, Eaton's. "I found it to be a very valuable tool for communicatons between our respective companies — I would have been hard-pressed to continue to work without it.

"Since the pilot project began, I have been using it extensively, particularly to communicate with my dealer account manager and thus eliminate telephone tag," Davidson explains. "Our service organization has used it to solve some of their technical problems as well as process warranty claims and are generally ecstatic about the system."

Edward Palacios, Field Manager, J & L Enterprises (ComputerLand), says his technical staff have saved a great deal of time by searching through the data base for answers to technical problems as opposed to calling IBM.

"When they find the answer, they can print it out on hard copy and save it for future reference," he says. "And, processing warranty claims has also become more productive because of the system.

"A number of improvements have been made to the system since the pilot project began and I think that bodes well for its future as a communications link between the dealers and IBM," Palacios adds.

CSS serves as an electronic link between IBM and its network of authorized dealers. It provides them with a technical question-and-answer data base, problem submission for items not in the data base, online warranty claim preparation and communications, which includes IBM News Briefs and a two-way messaging facility. This part of CSS comprises an IBM PC-based program, which includes communication software to access an IBM mainframe.

Dave Faught, CSS Co-ordinator, Information Programs, Distribution Marketing, IBM Canada Ltd., says CSS will assist dealers in becoming self-sufficient and provide them with a distinctive level of added value they can then pass on to their customers.

"Requests to the National Customer Centre (NCC) through this system will receive high priority and, because of this system, dealers will have a rapid response to questions," Faught explains. "It will provide fast access to IBM account managers and representatives as well as certain other IBM support functions.

"Using CSS to process warranty claims will mean simplified processing for improved accuracy and a better parts flow," he adds.

Although the CSS system is primarily aimed at supporting the IBM PC product line, it will soon be offered to value-added remarketers (VAR) and typewriter dealers. Meanwhile, IBM plans to continue to provide electronic messaging to VARs and typewriter dealers using Immedia.

For further information, contact your account manager.

Some facts on PC*jr*:

"The reports of my death are greatly exaggerated."
–Mark Twain

Like the story of Mark Twain's "death," news reports about PC*jr* are greatly exaggerated.

IBM recently announced we had built all the PC*jr*s we needed. But some articles incorrectly stated we had "abandoned" the product. Alas, it was reported, PC*jr* was now an "orphan."

This simply is not the case.

Here are the facts:

- IBM continues to market the PC*jr*.
- IBM continues to offer parts, service, and support. And we will do so for at least five years after we sell our last PC*jr*.
- IBM warrants every new PC*jr* for 12 months. And when the warranty expires, PC*jr* owners can purchase service agreements.
- IBM continues to make available the hardware options we've announced for PC*jr*.
- IBM continues to develop and offer software for PC*jr*. More than 100 new IBM programs will be published this year. They will join more than 1,000 programs already available for personal, business, and educational uses.

So, if you are buying a PC*jr*, or already own one, you can be sure it still is a well-cared-for member of the IBM PC family.

IBM

IBM is a registered trademark of International Business Machines Corporation. IBM Canada Ltd., a related Company, is a registered user.
PC*jr* is a trademark of International Business Machines Corp.

This announcement first appeared as an advertisement in 18 daily newspapers across Canada on April 26 and 27, 1985.